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3110 P.M.

Chapter No. 428 15/HR40/R1382SG 4d / 4e

HOUSE BILL NO. 859

Originated in House

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HOUSE BILL NO. 859

AN ACT TO AMEND SECTION 37-28-55, MISSISSIPPI CODE OF 1972, TO REQUIRE PAYMENTS BY THE STATE TO A CHARTER SCHOOL OVER THE TERM OF THE CHARTER TO BE BASED ON ENROLLMENT PROJECTIONS SET FORTH IN THE CHARTER CONTRACT; TO REVISE THE METHOD FOR DETERMINING THE AMOUNT OF LOCAL EDUCATION PER PUPIL FUNDING WHICH A SCHOOL DISTRICT IN WHICH A CHARTER SCHOOL IS LOCATED MUST PAY TO THE CHARTER SCHOOL AND TO MODIFY THE TIMEFRAME FOR THE MAKING OF THOSE PAYMENTS; TO REQUIRE THE STATE DEPARTMENT OF EDUCATION TO WITHHOLD ADEQUATE EDUCATION PROGRAM FUNDS FROM A SCHOOL DISTRICT FAILING TO MAKE TIMELY PAYMENTS TO A CHARTER SCHOOL AND TO TRANSFER THOSE FUNDS DIRECTLY TO THE CHARTER SCHOOL; AND FOR RELATED PURPOSES.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

SECTION 1. Section 37-28-55, Mississippi Code of 1972, is amended as follows:

37-28-55. (1) (a) The State Department of Education shall make payments to charter schools for each student in average daily attendance at the charter school equal to the state share of the adequate education program payments for each student in average daily attendance at the school district in which the charter school is located. In calculating the local contribution for purposes of determining the state share of the adequate education

program payments, the department shall deduct the pro rata local contribution of the school district in which the student resides, to be determined as provided in Section 37-151-7(2)(a).

- State Department of Education must be made at the same time and in the same manner as adequate education program payments are made to school districts under Sections 37-151-101 and 37-151-103.

 Amounts payable to a charter school must be determined by the State Department of Education. Amounts payable to a charter school * * * over its charter term must be based on the enrollment projections * * * set forth * * * over the term of the charter contract. Such projections must be reconciled with the average daily attendance at the end of * * * each year of operation, and any necessary adjustments must be made to payments during the school's * * * following year of operation.
- (2) The school district in which a charter school is located shall pay directly to the charter school an amount for each student enrolled in the charter school equal to the ad valorem tax receipts and in-lieu payments received per pupil for the support of the local school district in which the student resides. The pro rata ad valorem receipts and in-lieu receipts to be transferred to the charter school shall include all levies for the support of the local school district under Sections 37-57-1 (local contribution to the adequate education program) and 37-57-105 (school district operational levy) and may not include any taxes

levied for the retirement of the local school district's bonded indebtedness or short-term notes or any taxes levied for the support of vocational-technical education programs. * * * The amount of funds payable to the charter school by the school district must be based on the previous year's enrollment data and ad valorem receipts and in-lieu receipts of the local school district in which the student resides. The pro rata amount must be calculated by dividing the local school district's months one (1) through nine (9) average daily membership into the total amount of ad valorem receipts and in-lieu receipts, as reported to the State Department of Education by the local school district. The local school district shall pay an amount equal to this pro rata amount multiplied by the number of students enrolled in the charter school, based on the charter school's end of first month enrollment for the current school year. The amount must be paid by the school district to the charter school before January 16 of the current fiscal year. If the local school district does not pay the required amount to the charter school before January 16, the State Department of Education shall reduce the local school district's January transfer of Mississippi Adequate Education Program funds by the amount owed to the charter school and shall redirect that amount to the charter school. Any such payments made under this subsection (2) by * * * the State Department of Education to a charter school must be made * * * at the same time

and in the same manner as adequate education program payments are made to school districts under Sections 37-151-101 and 37-151-103.

- (3) (a) The State Department of Education shall direct the proportionate share of monies generated under federal and state categorical aid programs, including special education, vocational, gifted and alternative school programs, to charter schools serving students eligible for such aid. The department shall ensure that charter schools with rapidly expanding enrollments are treated equitably in the calculation and disbursement of all federal and state categorical aid program dollars. Each charter school that serves students who may be eligible to receive services provided through such programs shall comply with all reporting requirements to receive the aid.
- (b) A charter school shall pay to a local school district any federal or state aid attributable to a student with a disability attending the charter school in proportion to the level of services for that student which the local school district provides directly or indirectly.
- charter school and a local school district may negotiate and enter into a contract for the provision of and payment for special education services, including, but not necessarily limited to, a reasonable reserve not to exceed five percent (5%) of the local school district's total budget for providing special education services. The reserve may be used by the local school district

only to offset excess costs of providing services to students with disabilities enrolled in the charter school.

- (4) (a) The State Department of Education shall disburse state transportation funding to a charter school on the same basis and in the same manner as it is paid to school districts under the adequate education program.
- (b) A charter school may enter into a contract with a school district or private provider to provide transportation to the school's students.

SECTION 2. This act shall take effect and be in force from and after its passage.

PASSED BY THE HOUSE OF REPRESENTATIVES

February 19, 2015

SPEAKER OF THE HOUSE OF REPRESENTATIVES

PASSED BY THE SENATE

March 25, 2015

PRESIDENT OF THE SENATE

APPROVED BY THE GOVERNOR

GOVERNOR

3:19pm